

**SIIA / Financial Information Services Division**  
**Executive Committee – Meeting Notes**  
**September 9 2008**

**Participants:** Pritchard (Rights Management), Flynn (Fidelity), Hoer (Australian Securities Exchange), Gross (Deutsche Boerse), Killeen (Thomson Reuters), Merritt (NASDAQ OMX), Williams (Credit Suisse), Watson (Bloomberg), Gritsuk (MICEX), McElligott (CME), Couch (Capital Group), Schneck (Dow Jones), Sutton (Citi), Hillman (London Stock Exchange), Wasch (SIIA), Davin (FISD/SIIA), Cummings (FISD/SIIA), Merritt (FISD/SIIA)

Thanks to Julia Sutton and Citi for hosting this meeting.

**Operations and Governance Advisory Committee:**

- Notes and report from August 26 meeting of the GOAC follow in this document (pages 3 to 5)
- FISD Financials:
  - Final FY 2008 financials –net revenue will be added to the reserve as a result of FY 2008 operations.
  - FY 2009 – Updated forecast discussed
- Events
  - 2009 World Financial Information Conference (October 4-7, 2009)
    - Athens will be site
    - Hotel has been secured
    - Program Committee to be formed before the end of 2008.
    - The staff briefed the EC on some planned changes for the 2009 WFIC: the addition of a Host Sponsor and plan to offer discounted admission and hotel rates for Consumer attendees.
  - Asia-Pacific Financial Information Conference – The staff reported that the conference has a strong position on sponsorships, registrations, and program development
  - CY 2008 Event Calendar – The group reviewed the calendar through the end of CY 2008.
- Executive Committee Elections – The EC welcomed the two new members of the EC: Dow Jones (Kris Schneck) and MICEX (Vladimir Gritsuk). Terms run through December 2009.
- Certification Research Project – The EC discussed the report from Atradia Consulting and implications for FISD. The following was noted:
  - Market research project completed
  - A professional certification program for the industry seems to be desired and financially viable.
  - The Exec Committee is encouraged by the results of the market research and recommends that FISD request a proposal from Atradia (David Anderson) for next phase of work: operational research, creation of basic curriculum, and development of business plan.
- FISD Job Board – The EC discussed the idea of FISD providing members with an opportunity to post job openings. The EC agreed that this was a promising idea and asked that the staff develop a detailed proposal.
- MiFID Real-time Market Data Subject Group – Recent letter to CESR and European Commission
- Membership Development
  - **Action Item:** EC Member Participation in Member Recruitment – The EC agreed to the proposal to implement a new program whereby each EC member identifies at

least one potential member prospect annually and works directly with staff to educate the targeted firm on the benefits of FISD membership. Staff would work with each EC member to identify a suitable member prospect and provide any necessary support. The EC members agreed with the GOAC's comments that EC members' participation in recruiting activities would need to be voluntary and non-public.

- The EC discussed membership development. The staff reported that membership levels were, for the moment, holding steady despite the turmoil in the financial industry.

**Business Issues Advisory Committee (Co-chairs: Jeannie Merritt and Esther Brookfield):**

- Staff report for BIAC follow in this document (pages 6 and 7)
- **Service Level and Communications Working Group:**
  - **Action Item:** Content Provider Tracking Program – The EC approved this proposal with one important change. The Service Level & Communications Group is authorized to begin a pilot tracking program focused on exchange events that occur on or after January 1, 2009. The tracking reports for this program will only be shared among the members of the SL/C group (which is open to any FISD member). During this pilot period, these reports will not be posted to FISD.net in either public or member-restricted areas. The SL/C group will report back to the Exec Committee on the program at which time the SL/C group may propose, and the EC may approve, that the program be moved from its pilot status and post its work on FISD.net.
- **BIPPS Working Group:**
  - Internal Administrative Data Usage Best Practice Recommendation (BPR) – The staff reported on the draft recommendations. It is hoped that this document can be finalized in the next working group meeting. If that happens, the EC may be asked to approve the recommendations as FISD best practices prior to its next scheduled meeting in December.
  - Derived Data and Non-Display Working Group – Progress on Best Practice Recommendations. The staff reported on the draft recommendations. It is hoped that this document can be finalized in the next working group meeting. If that happens, the EC may be asked to approve the recommendations as FISD best practices prior to its next scheduled meeting in December.
- Audit Working Group – The group discussed the status of the Best Practice Recommendations
- FISD Glossary for Policy Recommendations – The members of the EC noted that many of FISD's growing number of best practice recommendations include definitions or glossaries that are specific to that particular recommendation. The EC thinks that it would be useful to compile a single FISD glossary of terms that are used across its best practice recommendations.

**Securities Processing Automation Advisory Committee (Chairs: John White):**

- Staff report follows in this document (page 8)
- The staff briefed the EC on the current status of its activities in the SPA space.
- ISO Working Groups
  - WG 8 – International Business Entity Identifier
  - WG 1 – ISIN
  - WG 11 – Securities Data Model
- Operational/Organizational
  - Data Model Wiki

**SIIA / Financial Information Services Division  
Governance and Operations Advisory Committee  
Meeting Notes and Report to Executive Committee  
August 26, 2008**

**Participants:** Pons (Thomson Reuters – Chair), Jacobi (Citi), Burch (Interactive Data), Brookfield (Jordan & Jordan), Davin (FISD/SIIA), Cummings (FISD/SIIA)

**Financials:**

***FY 2008:***

FISD had significant net revenue for FY 2008 which will be added to the reserve. FY 2008 net revenue was below what was forecast in May/June as a result of higher-than-anticipated expenses for Meetings & Events, Travel, and Salary/Benefits.

***FY 2009 Forecast:***

The updated FISD forecast for FY 2009 is not dramatically changed from the FY 2009 budget approved in May except for a significant uptick in the travel budget.

**Events:**

***2009 World Financial Information Conference:***

The 2009 World Financial Information Conference will be held in Athens, October 4-7 at the *Divani Apollon Palace & Spa*: <http://www.divanis.com/apollon/default-en.htm>. Staff has negotiated the sleeping room rate of 190€per night.

The first official announcements will go out in September – one year out. The SIIA marketing staff is currently developing a marketing plan/schedule. The goal is to create awareness during the industry members' budgeting process. There will be a call for program committee volunteers beginning with the September newsletter. We plan to schedule the first committee meeting for December. It is a goal to include a balance of the 3 constituencies on this committee with a focus on recruiting new members or members not typically involved in FISD.

The 2009 WFIC is unusual in that we have a major member located in the host city. Staff has worked very closely with representatives at the Athens Exchange to craft a Host Sponsor package that reflects their unique status. The Deutsche Boerse has agreed to the Platinum Sponsorship. We are currently reaching out to all past WFIC sponsors prior to making the information available at large.

To increase sponsor satisfaction and to address some very real budget constraints for consumer firms, FISD will be providing discounted registrations for representatives from consumer firms. This new approach will not negatively impact the admission price paid by non-consumer firm *members*. We are currently budgeting for a modest net for this event. Additionally the Host Sponsor will subsidize a limited number of discounted hotel rooms for consumer attendees.

### ***Asia-Pacific Financial Information Conference***

The second biennial APFIC conference is coming along well. Attendee registration is already above 100 and only one sponsor package remains unsold. Both keynote speakers have been confirmed as have a majority of the session speakers.

### ***CY 2008 Event Calendar***

September 10	General Meeting - London
Oct 20-22	Asia-Pacific Financial Information Conference (with Incisive Media)
November 12	Issue Brief – Chicago
December 2	Issue Brief & Market Data Holiday Party - London
December 16	General Meeting & Market Data Holiday Party - New York City

### **Open Executive Committee Seats:**

The Executive Committee selected two new EC members: Dow Jones (Kris Schneck) and MICEX (Vladimir Gritsuk) whose terms run through December 2009 to fill in the remaining terms of Reuters and the Montreal Exchange.

### **Certification Facility:**

David Anderson of Atradia has completed his analysis of the survey results and the potential market for an FISD certification program. These results were presented to the Certification Steering Group at its meeting on September 3.

In summary, David's findings are that there is strong support for a meaningful and affordable professional certification program for the financial information industry and that there is broad enough interest to support such a program financially.

*The Certification Steering Group was encouraged by the results of the market research. After extensive discussion, the Steering Group recommends that FISD request a proposal from Atradia (David Anderson) for the next phase of work: operational research, creation of a basic curriculum, and development of a complete business plan.*

### **Discussion Item: Member Services/Benefits**

For years FISD has been serving its members in an informal manner with regard to communicating industry job openings and placement. As an additional member benefit, staff would like to explore the concept of an online "job board". This would permit FISD member firms and other industry participants to post job openings at their firms. As envisioned by the staff, this service would be free to members who were recruiting as a "principal" and accessed via their password protected FISD account. Non-members and recruitment firms would pay a fee.

*The GOAC was generally interested in the idea and thought that it would be a fit topic for EC discussion. The GOAC agreed that promotion of the facility would be very important and that the treatment of FISD members that were in the recruiting business would be an issue.*

### **MiFID Comment Letter to CESR and European Commission:**

On July 31, 2008, the Real-time Market Data Subject Group sent a letter to representatives at the European Commission and the Committee of European Securities Regulators (CESR). The letter outlined the group's observations and concerns related to real-time market transparency in the post-MiFID environment. Both organizations have acknowledged receipt of the letters and are in the process of reviewing them. The European Commission has also asked that the group provide more details on certain observations.

### **Membership Development:**

#### ***Action Item: EC Member Participation in Member Recruitment:***

Membership growth is critical to the continued success of FISD. Over the past 4 years FISD has experienced an explosion of new members resulting from a variety of recruiting tactics. Given the current climate of mergers and acquisitions coupled with an already robust member roster, staff is exploring new approaches to member development. Executive Committee members have always served as an informal recruitment resource but we believe a more formal process going forward would be beneficial.

The staff proposes to implement a new program whereby each EC member identifies at least one potential member prospect annually and works directly with staff to educate the targeted firm on the benefits of FISD membership. The education approach would vary depending on the situation, and could include one-on-one meetings (in person or conference call), attending FISD functions or email introductions and follow up. Staff would work with each EC member to identify a suitable member prospect and provide any necessary support.

*After extensive discussion, the GOAC agreed to forward this proposal on to the EC but expressed reservations that an EC member's participation in recruiting activities would likely need to be voluntary and non-public.*

***Development Report:*** Per the recommendations of the EC, new members will be wearing ribbons on badges to assist in identifying them at FISD events.

**FISD Business Issues Advisory Committee (BIAC)**  
**BIAC Report to the FISD Executive Committee**  
**Thursday, August 28, 2008**

**Participants:**

Esther Brookfield – Jordan & Jordan (co-chair), Jeannie Merritt – NASDAQ OMX (co-chair), Georg Gross – Deutsche Boerse, Jocelyn Killeen – Thomson Reuters, Bill Cuffe – Bloomberg, Ed Flynn – Fidelity, Gadi Goldress – Bloomberg, Bill Mangan – Lehman, Julia Sutton – Citi, Reg Pritchard – Rights Management Associates, Claire Pons – Thomson Reuters, Tom Davin, Nick Merritt, Elizabeth Cummings – FISD/SIIA

**Service Level and Communications Working Group:**

- *Content Provider Tracking Program.*

The SL&C WG seeks permission to implement a program to track content provider's actions measured against the current Best Practice Recommendation (BPR) document and publish the results of the tracking program on a member-only section of FISD.net.

Members of the WG have noted a lack of adherence with the recommendations spelled out in the updated BPR which was approved in December 2007. The WG has suggested creation of a tracking program to monitor and assess market data content providers and their adherence to the recommendations spelled out in the updated BPR. Beginning with content providers' product events (new products, product changes, service outages) that occur on or after January 1, 2009, the group will identify events and publish a group consensus on the content provider's adherence to the BPR. The publishing will happen in a member-only section of FISD.net. The document below includes a description of the program, a description of the process for tracking member feedback and verification, and an expected timeline leading up to the program's start.

**BIPPS Working Group:**

- *Internal Administrative Data Usage Best Practice Recommendation (BPR).*

Members of the BIPPS Working Group have discussed the wide range of existing policies for the fee liability of internal administrative usage of exchange data for purposes such as sales, marketing, technical support, disaster site recovery and more. The group feels that a BPR on this subject will help to improve understanding of the issue and encourage consistency among the policies of content providers.

FISD Staff had hoped to have the BPR document approved by the Executive Committee at today's meeting. However, BIAC members suggested changes that were relayed to the BIPPS Working Group which prompted additional comments and feedback. The Working Group will continue discussion on this and work toward finalizing the BPR, possibly as soon as at its next meeting. FISD Staff hopes to have the final BPR made available for approval by the Executive Committee before its next meeting in December.

In addition, FISD will help to improve the transparency of exchanges' existing policies by publishing a matrix of exchange policies in this area. In response to an FISD questionnaire, nearly 20 FISD member exchanges have provided a summary of their fee exemption policies for a variety of internal administration and support purposes.

**Derived Data and Non-Display Working Group:**

- *Derived Data and Non-Display Best Practice Recommendations.*

Policy treatment of non-display applications and derived data products that use content provider information are an important issue for participants in our industry. The Derived Data and Non-Display Working Group has developed Best Practice Recommendations to facilitate further engagement on these issues among the members of the industry. This document is based in large part on the BIPPS group's white paper on this topic that was published in 2006. The current working group began as a joint effort of the Consumer and Data Vendor Constituent Groups. Earlier this year, Exchanges and other members were permitted to join to enrich the debate.

Similar to the previously mentioned BPR, FISD Staff had hoped to have this BPR document approved by the Executive Committee at today's meeting. However, BIAC members suggested changes that were relayed to the Derived Data and Non Display Working Group which prompted additional comments and feedback. The Working Group will continue discussion on this and work toward finalizing the BPR, possibly as soon as at its next meeting. FISD Staff hopes to have the final BPR made available for approval by the Executive Committee before its next meeting in December.

**Audit Working Group:**

- *Audit Working Group Best Practice Recommendations.*

The Audit Working Group is completing an update of the Audit Code of Practice document that was originally published in 1998. Renamed "Best Practice Recommendations on the Market Data Audit Process", the revised document will be a thorough compilation of recommendations focused on the market data audit process. The WG first met in February 2008 and acknowledged the increase in the number of audits, especially those focused on financial institutions, and the overall complexity of audits. The Group agreed that an update of the Code of Practice document would increase the effectiveness and efficiencies within the audit process.

**FISD Securities Processing Automation Advisory Committee  
Staff Report to Executive Committee - Q3 2008**

**Standards Activities**

**WG8 – IBEI – Entity Identifiers** The new Working Group has had its initial organizational meeting and the first working meeting. The general direction taking shape appears to lead to a two stage approach. **Stage one** will be the creation of a Standard for Issuer Identifiers – limiting the domain to those entities which issue traded (Exchange-based or OTC) securities. **Stage two**, which may proceed in parallel though certainly will be slower, involves creating a liaison group with SC7 (the TC68 subcommittee devoted to Payments) to address requirements for the larger domain of all firms and possibly individuals. FISD staff presented an overview of the DOI system to the WG in Frankfurt. It was well received and Dr. Norman Paskin, who runs the DOI, will present at the next WG meeting on Nov 12 in London. It appears that ANNA will be nominated as the Registration Authority; recent discussions with ANNA members indicate that the ANNA board may take a more cautious approach to this commitment than expected by some WG8 members, particularly with regard to the last 18 months of discussions between ANNA and ISO. Minutes from the meetings and further information are available for those wishing more detail.

**WG1 – ISIN/CUSIP/ANNA** Discussions between ISO and ANNA related to creating a formal Registration Authority (RA) agreement have been stuck on the topic of transferring data should ISO remove ANNA as the RA. It would appear that this issue has been resolved and that ANNA and ISO will execute their agreement by year-end, barring further complications. The next meeting of WG1 will be scheduled after the SC4 meeting in Washington DC at the end of September (FISD is hosting this meeting). Staff has been nominated to act as convenor in finalizing the current CD, there has been no further formal activity over the summer.

**WG11 – 19312 – Data Model** The work product of this WG is being incorporated within the ISO 20022 efforts. The most recent version is posted to the FISD wiki.

**Operational/Organizational**

**FISD Data Model Wiki** – up and running, working on member access/editing policies and content organization for initial release. Initial work is beginning on categorization and cross-referencing. FIX dictionaries will be going up over the next couple of weeks. We are in discussions with FIX and initial talks with members regarding the utility of mapping FIX and MDDL models together and posting them publicly. Please contact Bill Nichols with any thoughts or input, or for further details. There is a meeting schedule with XBRL US in early October regarding possibly including them in the effort to connect multiple XML dialects.